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Report Highlights:

Demand from high-income consumers and government subsidies are expected to encourage an expansion of Korea's Hanwoo cattle herd in 2004. Middle and lower income consumers' consumption of imported frozen and chilled beef continues to increase. U.S. beef exports to Korea are expected to remain strong in 2004.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
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Section I: Situation and Outlook

In 2003, the Korean cattle market remained stable and showed no sign of resuming the herd liquidation that began after the full liberalization of the beef market on January 1, 2001. Lucrative Hanwoo live cattle prices have increased farmer confidence in Hanwoo production but due to the low number of Hanwoo cows, the repopulation is not proceeding as expected. Despite the sluggish domestic economy and prices that are 3.7 times higher than imported beef, consumption continues. Hanwoo products target the high-income consumer market. Most of the growth in the beef market was filled with reasonably priced but high quality imported beef. As the economy picks up in 2004 and with the National Assembly election in April, beef consumption is expected to grow gradually.

Australia exported 2,492 head of Black Angus feeder calves in 2003. No further imports from Australia are anticipated for the remainder of the year. However, a shipment of U.S. feeder calves is expected to arrive in Korea in October. If realized, the shipment would be the first U.S. beef feeder cattle export to Korea since Korea liberalized the market on January 1, 2001.

The BSE outbreak in Canada has stopped all beef exports from Canada to Korea. U.S. beef exports have not been disrupted. The United States and Korea have worked closely to address Korea's concerns regarding BSE.

Uncertainty in the economic situation for 2003 limits prospects for large increases in meat consumption. Despite such uncertainty for the economic situation in 2003, Koreans are expected to continue to gradually increase meat consumption as they change their dietary pattern from grain/vegetable based to a more meat-based diet. Korea's 2002 per capita consumption of meat was 33.5 kg. This can be broken down to 8.5 kg of beef, 17.0 kg of pork and 8 kg of chicken, which have increased by 0.4 kg, 0.1 kg, and 0.7 kg respectively over 2001 levels. High Hanwoo prices and appreciation of the Korean won value against U.S. dollar is also playing a favorable role in enhancing meat imports.

Vaccination of swine against classical swine fever has shut out hopes of resuming pork exports to Japan after a two-year ban due to the outbreak of FMD in March 2000. Korea will try to export pork to Japan produced from swine farms on a remote island in early 2004. In the meantime, Korea is trying to boost the domestic consumption of export cuts of pork, which are generally in low demand in Korea. A shipment of Chilean pork, which contained residues of dioxin, was rejected in 2003. However, consecutive shipments were clean and Chilean pork continues to enter Korea.

Section II: Cattle, Beef, and Veal

Production

The national Hanwoo beef cattle herd has begun to rebound after reaching its lowest level in March 2003. Despite a sluggish economy, high farm gate prices of ready-to-slaughter cattle coupled with record high calf prices have caused producers to retain their herds and stop contraction. A recent survey conducted by the National Agricultural Cooperatives Federation in June, 2003, showed that 40 percent of the producers wanted to increase herd size due to high calf prices and the high profit level compared to other commodities. Fifty-one percent of the producers planned to maintain current herd levels, due to barn size, labor shortages and uncertainty of future prices. Only 9 percent of the producers replied that they plan to reduce their herd, due to concerns over capitalizing on current high prices for replacement cows. The ascending trend in Hanwoo prices since liberalization of the beef market in January 1, 2001 seems to have contradicted expectations of a market collapse after

liberalization. Hanwoo continues to be consumed, despite the 3.7 times higher Hanwoo beef retail prices over imported beef, indicating that most of the marginal consumers have now switched to imported beef. The only concern is the extremely high calf prices that make it risky for farmers that procure Hanwoo calves for feeding purposes. Farmers are expected to build cow inventories in 2004 based on increased retention of cows and heifers and lower cow slaughter levels.

Government programs are also encouraging more production. The basic policy for the livestock industry in 2003 is aimed at providing higher-quality, safe livestock products that will meet the demand of consumers. Also, efforts are being targeted at differentiating the market between imported products and domestic products.

Australia has shipped 2,492 head of Black Angus feeder calves to Korea in 2003. Due to severe protests by domestic producers, the Australian cattle importers have signed an agreement with the domestic producers to halt imports after the last shipment arrives in June. Resumption of shipments will depend on a review to determine whether the calves that were imported in April 2003 were marketed illegally as Hanwoo beef. The contract was signed to ensure the domestic producers that the imported Australian calves would not be disguised as domestic beef cattle after being slaughtered. Due to the time that it takes to feed the calves, no more Australian beef cattle are expected to be imported until early 2004. The controversy surrounding imports of Australian calves has initiated interest in importing calves from other sources. At least one shipment of imported calves from the United States is expected before the end of 2003.

MAF has implemented the following initiatives to support production of domestic Hanwoo beef in 2003:

Establishment of Calf Production Base: This program is designed to encourage development of larger farm operations devoted to cow/calf production. In 2003, MAF expanded eligibility for the program by lowering the area requirement from a minimum 20 hectares of grassland to 10 hectares. Due to large capital and resource requirements, the project is targeted at grassland farmer cooperatives. The program will provide loans and input subsidies for on-farm construction (barns, etc.), preparation of forage land, procurement of equipment, etc. The 2003 budget allocated for this project is 5.7 billion won (\$4.8 million) which will be increased to 6.6 billion won (\$5.6 million) in 2004.

Subsidy for Multi-production of Hanwoo Beef Cattle: This program will be terminated at the end of 2003. The total 2003 budget is 20.3 billion won (\$17.2 million). It is designed to encourage retention of Hanwoo breeding stock using an incentive program based on live-Hanwoo calf births. Under this program producers are paid the following subsidy per Hanwoo calf born to a cow:

Third and fourth calf - 150,000 won (about \$128: a drop from 200,000 won in 2002)

Fifth calf - 200,000 won (around \$170: a drop from 300,000 won in 2002).

Also found under the Hanwoo Integrated Measures Program is a sub-program designed to improve the quality of Hanwoo beef. This program provides support (200,000 won or \$150 per head) toward castration of Hanwoo bull calves. This program will be terminated after June 30, 2003. The total 2003 budget is 9.4 billion won (\$8.0 million). However, from July 2004, this support will be rechanneled to steers that received #1 grades. Despite a drop in the 2004 budget to 8.3 billion won (\$7.0 million), the support for steers receive #1 grade will be increased to 300,000 won (\$255) per head.

The Ministry of Agriculture & Forestry has also announced plans to require livestock farmers to register with the municipal/provincial government. To register, farmers will be required to

maintain a minimum farm space per animal and undergo education on environmentally friendly agriculture once a year. Hanwoo farms larger than 300 square meters are required to register by the end of 2005 and those larger than 100 square meters by 2006. When the registration is completed, the government will have a better database for controlling livestock diseases, targeting support and enforcing prerequisites for obtaining support.

Live-weight prices are expected to remain strong throughout 2003 as the market competes with attractive government programs for building herds in a sector carrying a low inventory. In contrast, external factors such as imported live-cattle and beef are not expected to play influential roles in the domestic live cattle market.

Consumption/Utilization/Stocks

The sluggish economy has undermined retained marginal consumers' demand for high-priced Hanwoo beef space. However, despite the economic situation, those who can afford to pay for Hanwoo beef have not changed their consumption pattern. A survey by the Korea Rural Economic Institute revealed that Korean consumers were willing to pay up to 1.8 times more for prime grade Hanwoo beef over imported beef prices. The price difference between imported beef and domestic Hanwoo beef increased from 3.1 times in 2001 to 3.7 times in 2003. Consequently, consumption pattern of high-income consumers purchasing Hanwoo beef and mid-to-low income consumers buying imported beef is expected to continue. In fact, the undisrupted consumption of Hanwoo beef, despite continued increase in retail prices, indicates that segregation of the market has already taken place. The upcoming Chosuk holidays (Korean Thanksgiving) will be a yardstick for projecting the future of Hanwoo beef consumption. The bulk of the consumers that cannot afford to purchase highly priced Hanwoo beef will continue to enjoy the relatively affordable, yet high quality, imported beef. Thus the overall beef consumption is expected to increase slightly due to increased per capita consumption. Per capita beef consumption increased 0.4 kg in 2002 to a level of 8.5 Kg per person.

Expectations that Korea's economy will recover in 2004, along with the National Assembly election in April 2004, are projected to continue to increase beef consumption. The limited domestic beef supply in 2003 will keep retail prices high making imported chilled beef more attractive to Korean consumers. Imported chilled beef increased from 4.6 percent in 2002 to 6.9 percent of total imports during the first 6 months of 2003. The increase in chilled beef imports was due to increased demand for high quality products and removal of Korean standards controlling marketing of products stored in different physical states (frozen vs. chilled) in 2002. As a result, retailers now have the option of freezing their meat when chilled beef approaches the end of its shelf-life. The option of freezing chilled meat has allowed retailers to carry more high value chilled imported beef.

The outbreak of BSE in Canada reported on May 20, 2003 has stopped imports of Canadian beef into Korea. Due to concerns over any possibility of a spillover from the Canadian situation into the United States, the Korean government requested the U.S. government to assure that U.S. products were free from BSE. The U.S. worked closely with the Korean government in modifying existing health certificates to address Korea's concerns.

Competitiveness of imported beef is tied closely to the exchange rate. U.S. product competitiveness diminishes when the Korean won falls to the W1,500/1,600 = U.S.\$1.00 exchange rate range. The current exchange rate is W1,178 = US\$1.00.

Major international suppliers continue to carry out market promotion activities in 2003. USMEF conducted 10-day promotional campaigns on chilled U.S. Choice/Prime Beef at major retail outlets through out the year. USMEF conducts such promotions monthly in 50-

60 retail outlets. Its training arm, the Meat Education & Research Center (MERC), continues education programs on U.S. meat quality and cuts. It also held the 9th Annual Butcher Contest in May 2003. As for the hotel sector, USMEF has carried out "Guest Chef Promotion Programs," and "Culinary Camp" programs in 2003. USMEF also plans to take a group of beef importers to the United States and provide opportunity for these importers to visit U.S. packers in September 2003. The Australian Meat & Livestock Corporation is also aggressively promoting its "Clean & Safe Australian Beef" at the retail level. Promotional activities by New Zealand and Canada have not been as aggressive in the Korean market.

Korean language web sites of interest (some contain limited information in English):

Ministry of Agriculture & Forestry: www.maf.go.kr

National Agricultural Products Quality Service: www.naqs.go.kr

National Agricultural Cooperatives Federation: www.nacf.co.kr

Korea Swine Association: www.koreapork.or.kr

The conversion factor used for converting carcass to boneless weight is 1.25 for pork and 1.36 for beef.

Section III: Swine and Pork

An outbreak of classical swine fever (CSF) reported on October 7, 2002 has deflated Korean pork producers' hopes of resuming exports to Japan. To deal with the outbreak, Korean authorities decided to vaccinate animals against classical swine fever. Despite the vaccination, CSF continues to be detected from time to time. The most recent CSF case was found on August 9, 2003. As a result of using vaccinations to eradicate CSF, pork exports to Japan from the Korean mainland will be precluded throughout 2003 and 2004. The requirement for becoming eligible to resume exports to Japan is no detection of CSF for one year from the last vaccination. However, to this date, Korea has not stopped vaccination. Korea is now working with Japan to resume exports from Jeju Island which has not had any outbreaks and has not vaccinated. However, exports from Jeju Island is not expected to begin until early 2004 at the earliest. Small amounts of Korean pork will likely continue to be exported to Russia and the Philippines.

The Korean government detected dioxin in a shipment of Chilean pork that arrived in June 2003. That particular shipment was rejected. However, as consecutive shipments coming from Chile did not have any residues of dioxin in them, imports from Chile continue to come in without any disruption.

Pork production that had been expected to supply the export market ended up in stocks and was carried over into 2003. Such stocks are expected to increase until Korea is able to resume exports to Japan. Since most of the export cuts that go into stocks are unpopular in Korea, such stocks are likely to increase substantially until Korea can resume exports to the Japanese market. The earliest that stocks are expected to be drawn down is in early 2005.

Although producers cannot export pork to Japan, herd size will continue to gradually increase, as there is strong demand for popular cuts, such as pork bellies, Boston butts and short ribs. The non-popular cuts will end up in inventory. Even with high inventory levels, the enhanced price advantage of imported pork resulting from the appreciation of the Korean currency against U.S. dollars along with a shortage in popular cuts will make it necessary for Korea to continue to import specialty cuts, such as pork bellies and Boston butts.

Herd expansion is projected to be maintained at the current rate or increase modestly to meet the demand for specialty cuts. A recent survey conducted by the National Agricultural Cooperatives Federation in June, 2003 revealed that 77 percent of swine producers planned to maintain their current herd size. Producers reservations against herd expansion were based largely on size of farms and uncertainty regarding future swine prices. However, 24 percent replied that they plan to expand in order to fill barns that they had left idle after the CSF outbreak. Only 4 percent replied that they plan to reduce their herd size.

The Ministry of Agriculture & Forestry (MAF) plans to assist the swine farmers by developing new export markets, such as Mongolia. MAF plans to send promotional teams to these new markets and providing incentives to exporting firms. MAF has decided to increase the support for transportation of pork exports from the current level of 46,000 won (about US\$39) per metric ton to 96,000 won (about US\$81) per metric ton until exports to Japan resume.

MAF also will focus its efforts on trying to promote domestic consumption of the export cuts (loins, hams, etc.). MAF, in conjunction with the Korea Swine Association and the National Agricultural Cooperatives Federation, will carry out a two month TV promotion of export cuts in October and November, 2003. A survey on the result of 2002 pork promotional activities showed that 39.6 percent of the interviewed people had seen the TV advertisement and 69.7 percent of these people wanted to consume more pork after seeing the advertisement. About 28 percent had not been affected by the advertisement and only 2.1 percent were negative about the advertisement.

Other assistance to the swine sector in 2003 includes the following programs:

Support for Assay Testing: This program is designed to encourage swine farmers to participate in a national assay-testing program to improve the genetics of Korean swine. The program provides 3,200 won/head (\$2.74) for a third-party assay test, and 2,300 won/head (\$1.97) for a self-administered assay test. The program also provides 25,000 won/head (around \$21) for breeding boars that are tested and 8,500 won (\$7.26) per head for PSS genetic tests. For 2003, the program budget is 584.5 million won (approximately \$500,000), targeting 46,100 head of swine.

Loan for procurement of raw ingredient pork: This government loan program provides low interest loans to meat processors to procure pork for processing. Loan terms include an interest rate set at 4 percent per annum and a balloon payment on maturity (i.e., one year loan). For 2003, the program budget is 37,590 million won (about \$32 million), targeting a total of 300,000 head of swine.

Fund for Production of Standard Swine (export grades): The loss of export markets after the FMD outbreak in 2000 resulted in discontinuation that year of the direct payment program for export grade swine. Presently, MAF provides production loans to farmers supplying swine to export firms. Loan terms include an interest rate set at 4 percent per annum and a balloon payment on maturity (i.e., one year loan). For 2003, the program budget is 29,280 million won (around \$25 million) targeting 732,000 head.

Under a separate program, in 2003 the Korea Swine Association (KSA) plans to accumulate a total of 5,336 million won (about \$4.56 million) under a check-off program. The funds collected through the check-off program will be used in promoting pork consumption.

Korean language web sites of interest (some contain limited information in English):

Ministry of Agriculture & Forestry: www.maf.go.kr

National Agricultural Products Quality Service: www.naqs.go.kr

National Agricultural Cooperatives Federation: www.nacf.co.kr

Korea Swine Association: www.koreapork.or.kr

The conversion factors used for converting a carcass to a boneless weight are 1.25 for pork, 1.36 for beef.

Section IV: Statistical Tables: Cattle and Beef

PS&D Table for Cattle

PSD Table

Country Commodity	Korea, Republic of Animal Numbers, Cattle (1000 HEAD)					
	2002 USDA Official	Revised Estimate [I]	2003 DA Official	Estimate [I]	2004 DA Official	Forecast Estimate [I]
Market Year Begin	01-2002		01-2003		01-2004	
Total Cattle Beg. Stks	1954	1954	1954	1954	1960	1935
Dairy Cows Beg. Stocks	312	312	305	305	0	305
Beef Cows Beg. Stocks	532	532	532	532	0	540
Production (Calf Crop)	638	638	647	594	0	605
Intra EC Imports	0	0	0	0	0	0
Other Imports	1	1	5	3	0	5
TOTAL Imports	1	1	5	3	0	5
TOTAL SUPPLY	2593	2593	2606	2551	1960	2545
Intra EC Exports	0	0	0	0	0	0
Other Exports	0	0	0	0	0	0
TOTAL Exports	0	0	0	0	0	0
Cow Slaughter	313	313	315	284	0	265
Calf Slaughter	0	0	0	0	0	0
Other Slaughter	320	320	325	326	0	335
Total Slaughter	633	633	640	610	0	600
Loss	6	6	6	6	0	5
Ending Inventories	1954	1954	1960	1935	0	1940
TOTAL DISTRIBUTION	2593	2593	2606	2551	0	2545
Calendar Yr. Imp. from U.	0	0	0	1	0	2
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

PS&D for Beef

PSD Table

Country Commodity	Korea, Republic of Meat, Beef and Veal					
	(1000 MT CWE)(1000					
	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official [	Estimate [	DA Official [	Estimate [	DA Official [	Estimate [
Market Year Begin	01-2002			01-2003		01-2004
Slaughter (Reference)	633	633	640	610	0	600
Beginning Stocks	25	25	41	40	43	60
Production	192	192	190	185	0	180
Intra EC Imports	0	0	0	0	0	0
Other Imports	431	374	445	410	0	425
TOTAL Imports	431	374	445	410	0	425
TOTAL SUPPLY	648	591	676	635	43	665
Intra EC Exports	0	0	0	0	0	0
Other Exports	0	0	0	0	0	0
TOTAL Exports	0	0	0	0	0	0
Human Dom. Consumpti	607	551	633	575	0	600
Other Use, Losses	0	0	0	0	0	0
TOTAL Dom. Consumpti	607	551	633	575	0	600
Ending Stocks	41	40	43	60	0	65
TOTAL DISTRIBUTION	648	591	676	635	0	665
Calendar Yr. Imp. from U.	238	234	242	260	0	270
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

Korea: Beef Imports (2002 - 2003)

Country	2002	2003
	Revised	Preliminary
	(In metric tons, product weight equivalent)	
U.S.A.	201,128	223,500
Australia	83,166	88,500
New Zealand	17,458	28,400
Canada	13,974	5,622
Others	104	178
TOTAL	315,830	346,200

Source: Korea Customs Service, Office of Ag. Affairs
Product Weight Equivalent

Korea: Beef Imports (Annual 2002, First Six Months of 2002 and 2003)

(Unit: MT & \$000)

Country	Annual 2002		Jan. – Jun., 2002		Jan. – Jun., 2003	
	Volume	Value	Volume	Value	Volume	Value
U.S.A.	201,128	591,854	86,996	257,549	106,539	364,947
Australia	83,166	185,433	37,111	85,914	36,491	87,264
Canada	13,974	32,226	6,364	15,602	5,622	15,024
New Zealand	17,458	38,306	10,261	22,708	11,726	29,783
Others	104	298	50	165	59	171
TOTAL	315,830	848,117	140,782	381,938	160,437	497,189

Source: Korea Customs Service
Product Weight Equivalent

Korea: Processed Beef Imports (Annual 2002, First Six Months of 2002 and 2003)

(Unit: MT & \$000)

Country	Annual 2002		Jan. – Jun., 2002		Jan. – Jun., 2003	
	Volume	Value	Volume	Value	Volume	Value
U.S.A.	16	163	6	76	44	182
Australia	5	13	5	13	12	137
PRC	102	44	21	8	47	21
Canada	6	44	0	0	0	0
Other	8	21	3	13	9	53
TOTAL	137	285	35	110	112	393

Source: Korea Customs Service
Product Weight Equivalent (HS 021020 and 160250)

Exports of processed beef products were minimal. Korea exported a total of 18 MT in 2002, compared to 12 metric tons in 2001. Exports during the first six months reached 7 metric tons.

Korea: Cattle Slaughter Trend

Month/Year	Total	Cows	Steers
	(Heads Slaughtered)		
Total 1997	1,125,281	573,954	551,327
Total 1998	1,282,290	643,266	639,024
Total 1999	1,096,207	614,325	481,882
Total 2000	997,331	547,745	449,586
Total 2001	729,245	369,039	360,206
Total 2002	633,024	313,466	319,558
Jan. – Jul., 2003	336,232	156,590	179,642
January, 2002	61,945	30,279	31,666
February, 2002	56,998	27,340	29,658
March, 2002	39,807	20,137	19,670
April, 2002	47,563	23,791	23,772
May, 2002	52,528	28,186	24,342
June, 2002	48,553	27,514	21,039
July, 2002	45,442	21,950	23,492
August, 2002	53,205	24,804	28,401
September, 2002	73,843	33,651	40,192
October, 2002	47,501	24,142	23,359
November, 2002	50,943	25,073	25,870
December, 2002	54,696	26,599	28,097
January, 2003	85,870	37,848	48,022
February, 2003	31,869	16,569	15,300
March, 2003	43,461	21,316	22,145
April, 2003	46,105	20,937	25,168
May, 2003	44,025	20,548	23,477
June, 2003	40,719	18,375	22,344
July, 2003	44,183	20,997	23,186

Source: Ministry of Agriculture & Forestry

Korea: Live Hanwoo Beef Cattle Prices

(Won per head, Exchange rate is US\$1=1,178 won)

Month/Year	Calf		500 Kg.	
	Female	Male	Female	Male *
1999 Average	774,000	1,024,000	2,401,000	2,488,000
2000 Average	1,103,000	1,294,000	2,872,000	2,752,000
2001 Average	1,729,000	1,785,000	3,514,000	3,245,000
2002 Average	2,306,000	2,288,000	4,236,000	3,927,000
January, 2002	1,973,000	2,098,000	4,467,000	4,252,000
February, 2002	2,061,000	2,150,000	4,304,000	3,964,000
March, 2002	2,094,000	2,134,000	4,048,000	3,449,000
April, 2002	2,057,000	2,079,000	3,864,000	3,209,000
May, 2002	2,146,000	2,163,000	4,003,000	3,426,000
June, 2002 **	2,169,000	2,118,000	4,074,000	3,300,000
July, 2002	2,325,000	2,315,000	4,050,000	3,652,000
August, 2002	2,360,000	2,319,000	4,117,000	3,869,000
September, 2002	2,422,000	2,367,000	4,144,000	4,026,000
October, 2002	2,530,000	2,437,000	4,219,000	4,246,000
November, 2002	2,551,000	2,471,000	4,572,000	4,419,000
December, 2002	2,520,000	2,452,000	4,571,000	4,300,000
January, 2003	2,567,000	2,466,000	4,604,000	3,879,000
February, 2003	2,686,000	2,506,000	4,647,000	3,798,000
March, 2003	2,864,000	2,582,000	4,716,000	3,697,000
April, 2003	2,990,000	2,591,000	4,774,000	3,422,000
May, 2003	3,211,000	2,630,000	4,880,000	3,627,000
June, 2003	3,343,000	2,651,000	4,898,000	3,666,000
July, 2003	3,365,000	2,607,000	4,886,000	3,934,000
August 20, 2003	3,396,000	2,617,000	4,894,000	4,103,000

Source: Ministry of Agriculture & Forestry, National Agricultural Cooperatives Federation

* These are average prices of non-castrated steers, which are very price elastic to demand. Castrated steers are less price elastic to demand but as they go directly to the slaughter plants without going through the livestock market, they are not calculated in these figures. After the year-end and new year, the demand for beef, especially those that are highly elastic to price, drop significantly.

** Represents partial average, due to closure of some cattle markets because of the FMD outbreak.

Korea: Hanwoo Cattle Inventory

(1,000 Household, 1,000 Head)

Month/ Year	House- hold	Total Stock	By Age			Cow	
			Under 1 year old	1-2 year old	Over 2 year old	1-2 year old	Over 2 year old
Sep., 1997	482	2,880	1,191	528	1,161	277	1,146
Dec., 1997	465	2,735	1,102	535	1,098	275	1,082
Mar., 1998	474	2,762	1,043	580	1,139	300	1,118
Jun., 1998	466	2,750	1,058	588	1,104	305	1,082
Sep., 1998	450	2,633	1,015	585	1,033	306	1,013
Dec., 1998	427	2,383	895	556	932	296	913
Mar., 1999	413	2,198	812	503	883	276	862
Jun., 1999	399	2,167	801	512	854	280	834
Sep., 1999	372	2,094	758	520	816	272	794
Dec., 1999	350	1,952	717	489	746	256	726
Mar., 2000	336	1,819	646	461	712	239	690
Jun., 2000	326	1,801	666	434	701	215	678
Sep., 2000	305	1,713	642	412	659	199	639
Dec., 2000	290	1,590	589	390	611	188	593
Mar., 2001	267	1,476	540	361	575	172	556
Jun., 2001	260	1,507	544	383	580	178	562
Sep., 2001	247	1,485	544	370	571	171	552
Dec., 2001	235	1,406	506	351	549	163	532
Mar., 2002	227	1,371	499	328	544	149	525
Jun., 2002	224	1,448	558	324	566	146	546
Sep., 2002	218	1,461	557	335	569	144	546
Dec., 2002	212	1,410	521	335	554	146	532
Mar., 2003	191	1,337	484	325	528	141	504
Jun., 2003	190	1,423	529	349	545	152	521

Source: National Agricultural Products Quality Management Service

Note: Total animal numbers may not add up, due to rounding.

Korea: Hanwoo Cattle – Cow/Calf Ratio

(1,000 Head)

Month/Year	Calf (Under 1 year)	Cow (Over 1 year)	Ratio (%)
Sep., 1997	1,191	1,423	83.7
Dec., 1997	1,102	1,357	81.2
Mar., 1998	1,043	1,418	73.6
Jun., 1998	1,058	1,387	76.3
Sep., 1998	1,015	1,319	77.0
Dec., 1998	895	1,209	74.0
Mar., 1999	812	1,138	71.4
Jun., 1999	801	1,114	71.9
Sep., 1999	758	1,066	71.1
Dec., 1999	717	982	73.0
Mar., 2000	646	929	69.5
Jun., 2000	666	893	74.6
Sep., 2000	642	838	76.6
Dec., 2000	589	781	75.4
Mar., 2001	540	728	74.2
Jun., 2001	544	740	73.5
Sep., 2001	544	723	75.2
Dec., 2001	506	695	72.8
Mar., 2002	499	674	74.0
Jun., 2002	558	692	80.6
Sep., 2002	557	690	80.7
Dec., 2002	521	678	76.8
Mar., 2003	484	645	75.0
Jun., 2003	529	673	78.6

Source: National Agricultural Products Quality Management Service

Korea: Cattle/Beef Tariff Table for CY2003

(N: In-quota / M: Out-of-quota)

Tariff Number	Product Description	WTO Bound Rate	Current Applied Rate	Other Information
0102.10.1000	Pure-bred breeding milk cow	N: 0 M: 90.1%	N: 0 M: 90.1%	Total In-quota amounts for these three HS numbers are 1,020 heads.
0102.10.2000	Pure-bred breeding beef cattle	N: 0 M: 90.1%	N: 0 M: 90.1%	
0102.10.9000	Pure-bred breeding – other	N: 0 M: 90.1%	N: 0 M: 90.1%	
0102.90.1000	Other milk cow	40.5%	40.5%	Import was liberalized on Jan. 1, 2001
0102.90.2000	Other beef cattle	40.5%	40.5%	
0102.90.9000	Other	0	0	
0201.00.0000	Beef (Fresh or chilled)			
0201.10.0000	Carcass and half-carcass	40.5%	40.5%	Import was liberalized on Jan. 1, 2001
0201.20.0000	Other cuts with bone-in	40.5%	40.5%	
0201.30.0000	Boneless	40.5%	40.5%	
0202.00.0000	Beef (Frozen)			
0202.10.0000	Carcass and half-carcass	40.5%	40.5%	Import was liberalized on Jan. 1, 2001
0202.20.0000	Other cuts with bone-in	40.5%	40.5%	
0202.30.0000	Boneless	40.5%	40.5%	
0206.10.0000	Beef offal (Fresh or chilled)	18.2%	18.2%	
0206.20.0000	Beef offal (Frozen)			
0206.21.0000	Tongues	18.6%	18.6%	
0206.22.0000	Livers	18.6%	18.6%	
0206.29.0000	Other			
0206.29.1000	Tails	18.2%	18.2%	
0206.29.2000	Feet	18.2%	18.2%	
0206.29.9000	Other	18.2%	18.2%	
0210.20.0000	Meat & edible meat offal of bovine animals, salted, in brine, dried or smoked; edible flours and meals of meat or meat offal of bovine animals			
0210.20.1000	Dried or smoked	27.3%	27.3%	
0210.20.9000	Other	27.3%	27.3%	
1602.50.0000	Other prepared or preserved meat, meat offal or blood, of bovine animals			
1602.50.1000	In airtight containers	72.8%	72.8%	
1602.50.9000	Other	72.8%	72.8%	

Source: Korea Customs and Trade Institute

N: in-quota rate; M: out-quota rate.

Section V: Statistical Tables: Swine and Pork

PS&D for Swine

PSD Table

Country Commodity	Korea, Republic of Animal Numbers, Swine (1000 HEAD)					
	2002 USDA Official	Revised Estimate [1]	2003 USDA Official	Estimate [1]	2004 USDA Official	Forecast Estimate [1]
Market Year Begin	01-2002		01-2003		01-2004	
TOTAL Beginning Stocks	7856	7856	8110	8110	8200	8350
Sow Beginning Stocks	955	955	980	955	0	960
Production (Pig Crop)	15906	15906	16850	15894	0	16174
Intra EC Imports	0	0	0	0	0	0
Other Imports	1	1	1	1	0	1
TOTAL Imports	1	1	1	1	0	1
TOTAL SUPPLY	23763	23763	24961	24005	8200	24525
Intra EC Exports	0	0	0	0	0	0
Other Exports	0	0	0	0	0	0
TOTAL Exports	0	0	0	0	0	0
Sow Slaughter	0	0	0	0	0	0
OTHER SLAUGHTER	15338	15338	16511	15340	0	16000
Total Slaughter	15338	15338	16511	15340	0	16000
Loss	315	315	250	315	0	325
Ending Inventories	8110	8110	8200	8350	0	8200
TOTAL DISTRIBUTION	23763	23763	24961	24005	0	24525
Calendar Yr. Imp. from U.	1	1	1	1	0	1
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

PS&D for Pork

PSD Table

Country Commodity	Korea, Republic of					
	Meat, Swine					
	(1000 MT CWE)(1000					
	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official [	Estimate [	DA Official [	Estimate [	DA Official [	Estimate [
Market Year Begin	01-2002	01-2002	01-2003	01-2003	01-2004	01-2004
Slaughter (Reference)	15338	15338	16511	15340	0	16000
Beginning Stocks	120	120	213	213	353	252
Production	1153	1153	1245	1153	0	1200
Intra EC Imports	0	0	0	0	0	0
Other Imports	160	154	170	150	0	160
TOTAL Imports	160	154	170	150	0	160
TOTAL SUPPLY	1433	1427	1628	1516	353	1612
Intra EC Exports	0	0	0	0	0	0
Other Exports	14	15	25	14	0	20
TOTAL Exports	14	15	25	14	0	20
Human Dom. Consumpti	1206	1199	1250	1250	0	1300
Other Use, Losses	0	0	0	0	0	0
TOTAL Dom. Consumpti	1206	1199	1250	1250	0	1300
Ending Stocks	213	213	353	252	0	292
TOTAL DISTRIBUTION	1433	1427	1628	1516	0	1612
Calendar Yr. Imp. from U.	18	18	20	18	0	20
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

Korea: Pork Imports (2002 - 2003)

Country	2002	2003
	Revised	Preliminary
	(In metric tons, product weight equivalent)	
U.S.A.	14,361	13,800
Canada	38,161	37,700
Belgium	19,669	16,700
Denmark	18,299	15,000
Hungary	14,190	10,700
Austria	4,466	2,300
Chile	3,387	14,000
Australia	2,723	2,400
Netherlands	2,576	5,800
Finland	2,152	1,700
Poland	1,458	1,500
Sweden	1,232	1,300
Mexico	237	0
France	111	5,000
Other	250	200
TOTAL	123,272	128,100

Source: Korea Customs Service, Office of Ag. Affairs
Product Weight Equivalent

Korea: Pork Imports (Annual 2002, First Six Months of 2002 and 2003)

(Unit: MT & \$000)

Country	Annual 2002		Jan. – Jun., 2002		Jan. – Jun., 2003	
	Volume	Value	Volume	Value	Volume	Value
U.S.A.	14,361	14,903	7,183	7,202	6,610	7,350
Canada	38,161	30,367	17,220	15,141	18,043	12,355
Denmark	18,299	33,573	10,135	19,171	7,178	9,068
Hungary	14,190	32,596	7,154	17,173	5,137	10,018
Belgium	19,669	52,223	11,175	29,877	8,009	18,955
Netherlands	2,576	6,908	22	66	2,774	7,057
France	111	314	23	74	2,413	6,387
Austria	4,466	11,273	2,203	5,683	1,105	2,405
Australia	2,723	4,704	1,547	2,538	1,143	1,972
Finland	2,152	6,253	1,382	3,855	810	2,144
Poland	1,458	3,417	640	1,540	706	1,060
Sweden	1,232	2,209	548	822	617	494
Mexico	237	429	184	309	0	0
Chile	3,387	6,328	0	0	6,749	12,715
Other	250	416	265	695	59	81
TOTAL	123,272	205,913	59,681	104,146	61,353	92,061

Source: Korea Customs Service
Product Weight Equivalent (HS Code: 0203)

Korea: Pork Exports (2002 – 2003)

Country	2002	2003
	Revised	Preliminary
	(In metric tons, product weight equivalent)	
U.S.A.	0	0
Russia	6,306	6,000
Philippine	5,841	6,100
Thailand	272	0
Hong Kong	22	0
Mongolia	0	40
Others	63	60
TOTAL	12,504	12,200

Source: Korea Customs Service, Office of Agricultural Affairs

Korea: Processed Pork Imports (Annual 2002, First Six Months of 2002 and 2003)
 (Unit: MT & \$000)

Country	Annual 2002		Jan. – Jun., 2002		Jan. – Jun., 2003	
	Volume	Value	Volume	Value	Volume	Value
U.S.A.	312	1,079	156	497	180	612
PRC	171	219	68	84	34	44
Australia	1	15	1	2	1	14
Canada	4	35	2	14	1	20
Netherlands	36	67	18	32	0	0
Other	1	1	0	0	1	2
TOTAL	525	1,416	245	629	217	692

Source: Korea Customs Service

Product Weight Equivalent (HS 0210.1, 1602.41, 1602.42)

Korea: Processed Pork Exports (Annual 2002, First Six Months of 2002 and 2003)
 (Unit: MT & \$000)

Country	Annual 2002		Jan. – Jun., 2002		Jan. – Jun., 2003	
	Volume	Value	Volume	Value	Volume	Value
U.S.A.	0	0	0	0	0	0
Philippine	261	84	0	0	360	119
Japan	73	587	33	245	42	362
Brazil	0	0	0	0	0	0
Congo	7	46	4	22	3	23
Georgia	44	78	0	0	22	39
Other	0	0	0	0	0	0
TOTAL	385	795	37	267	427	543

Source: Korea Customs Service

Product Weight Equivalent (HS 0210.1, 1602.41, 1602.42)

Korea: Pork Exports (Annual 2002, First Six Months of 2002 and 2003)

(Unit: MT & \$000)

Country	Annual 2002		Jan. – Jun., 2002		Jan. – Jun., 2003	
	Volume	Value	Volume	Value	Volume	Value
U.S.A.	0	0	0	0	0	0
Russia	6,306	9,721	4,060	5,818	2,933	3,038
Philippine	5,841	4,363	4,318	2,833	2,921	2,974
Hong Kong	22	18	22	18	0	0
Thailand	272	42	272	42	0	0
Mongolia	0	0	0	0	21	21
Other	63	197	40	161	0	0
TOTAL	12,504	14,341	8,712	8,872	5,875	6,033

Source: Korea Customs Service

Product Weight Equivalent (HS 0203)

Korea: Swine Slaughter Trend

Month	2001	2002	2003
	(Heads Slaughtered)		
January	1,100,339	1,288,045	1,396,953
February	1,085,728	1,141,435	1,177,307
March	1,248,553	1,284,482	1,277,202
April	1,153,402	1,273,950	1,535,618
May	1,130,087	1,170,900	1,224,233
June	1,063,974	1,138,994	1,146,264
July	1,074,254	1,228,207	1,192,283
August	1,207,573	1,319,857	
September	1,274,895	1,251,483	
October	1,332,652	1,459,689	
November	1,364,433	1,423,719	
December	1,288,381	1,357,671	
TOTAL	14,324,271	15,338,432	8,949,860

Source: Ministry of Agriculture & Forestry

Korea: Live Swine Prices

(Won per head, Exchange rate is US\$1=1,178 won)

(won per head, Exchange rate is US\$1 = 1,178 won)

Annual Live Swine Prices				
Year	Piglet		Swine (100 Kg)	
1995	49,000		155,000	
1996	48,000		171,000	
1997	53,000		171,000	
1998	50,000		179,000	
1999	59,000		199,000	
2000	54,000		166,000	
2001	55,000		174,000	
2002	59,000		178,000	
Monthly Live Swine Prices				
Month / Year	Piglet		Swine (100 Kg)	
	2002	2003	2002	2003
January	60,000	52,000	188,000	152,000
February	61,000	52,000	187,000	148,000
March	62,000	52,000	189,000	154,000
April	65,000	53,000	206,000	162,000
May	68,000	56,000	209,000	189,000
June	69,000	59,000	217,000	205,000
July	65,000	57,000	187,000	186,000
August	57,000		157,000	
September	51,000		139,000	
October	49,000		137,000	
November	50,000		153,000	
December	52,000		155,000	

Source: Ministry of Agriculture & Forestry, National Agricultural Cooperatives Federation

Korea: Swine/Pork Tariff Table for CY2003

Tariff Number	Product Description	WTO Bound Rate	Current Applied Rate	Other Information
0103.10.0000	Pure-bred breeding swine	N: 0 M: 18.6%	N: 0 M: 18.6%	In-quota amount is 1,768 heads.
0103.90.0000	Other swine			
0103.91.0000	Weighing, less than 50 Kg.	18.6%	18.6%	
0103.92.0000	Weighing, 50 Kg. or more	18.6%	18.6%	
0203.10.0000	Pork (Fresh or chilled)			
0203.11.0000	Carcass and half-carcass	23.2%	23.2%	
0203.12.0000	Hams, shoulder and cuts, with bone-in	23.2%	23.2%	
0203.19.1000	Belly	23.2%	23.2%	
0203.19.9000	Others	23.2%	23.2%	
0203.20.0000	Pork (Frozen)			
0203.21.0000	Carcass and half-carcass	26.2%	26.2%	
0203.22.0000	Hams, shoulder and cuts, with bone-in	26.2%	26.2%	
0203.29.1000	Belly	26.2%	26.2%	
0203.29.9000	Others	26.2%	26.2%	
0206.30.0000	Pork offal (Fresh or chilled)	18.6%	18.6%	
0206.40.0000	Pork offal (Frozen)			
0206.41.0000	Liver	18.6%	18.6%	
0206.49.1000	Feet	18.6%	18.6%	
0206.49.9000	Others	18.6%	18.6%	
0206.80.0000	Other offal (Fresh/chilled)	18.6%	18.6%	
0206.90.0000	Other offal (Frozen)	18.6%	18.6%	

0210.10.0000	Meat & edible meat offal of swine, salted, in brine, dried or smoked; edible flours and meals of meat or meat offal of swine			
0210.11.0000	Hams, shoulders and cuts thereof, with bone-in	26.2%	26.2%	
0210.12.0000	Bellies (streaky) and cuts thereof	32.5%	32.5%	
0210.19.0000	Other	26.2%	26.2%	
1602.40.0000	Other prepared or preserved meat, meat offal or blood, of swine			
1602.41.1000	Hams and cuts thereof in airtight containers	54.6%	54.6%	
1602.41.9000	Hams and cuts thereof, other	30.3%	30.3%	
1602.42.1000	Shoulders and cuts thereof in airtight containers	54.6%	54.6%	
1602.42.9000	Shoulders and cuts thereof, other	30.3%	30.3%	

Source: Korea Customs and Trade Institute

N: in-quota rate; M: out-quota rate.